

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Swan Corporation

Illinois Manufacturing Extension Center

Lean Solutions and Commitment to Innovation Help Swan Keep Pace With Foreign Competitors

Client Profile:

Swan Corporation, located in Centralia, Illinois, is a manufacturer of diverse products for the kitchen and bath industry. Swanstone line includes sinks, vanity tops and bowls, bath and shower surrounds, and utility products. Swan is committed to a policy of continuous improvement, providing customers with the highest quality products and the most responsive customer service in the kitchen and bath industry. The company employs under 250 people.

Situation:

For years, Swan Corporation's line of kitchen and bath products commanded market advantages over its chief competitors in the solid surface industry. However, that changed when one competitor's acrylic technology was copied and produced offshore in China and Korea. "Until then, our price to the customer had always been lower," said Mike Benton, Plant Manager. "We knew we had to keep our focus on value-added niche products in order to sustain the business." Benton describes Swan's product quality and culture of innovation as strategic advantages. Material characteristics in Swan's compression-molded fiberglass products make it stronger and less susceptible to wear. Speed in delivery and the ability to customize products enable the company to continue to earn higher margins. "We're committed to developing new and innovative products and adding value to the customer," Benton continued. "There is no way we can compete with offshore producers in a low-end commodity kitchen and bath market." Swan's distinct product lines do present challenges in its cost containment efforts. With more than 6,000 part numbers, standardization of work has been difficult. Benton brought in the Illinois Manufacturing Extension Center (IMEC), a NIST MEP network affiliate, for assistance in minimizing transportation, speeding up cycle times, and lowering inventory.

Solution:

IMEC conducted a 4-day Value Stream Mapping with Kaizen Event. "In our finishing department, where the bulk of our customization happens, we're introducing automation and product handling technology. It will help us grow capacity throughout the plant," said Benton.

Results:

- * Reduced costs by \$1.4 million.
- * Reduced inventory by \$500,000.
- * Improved lead time by 92 percent.

Testimonial:

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

"What I like about IMEC's approach is that they listen to us and customize their own approach to meet our needs. We wanted to start with a few small projects and go department by department so we could get a continuous improvement culture established. It has worked. Our people on the floor see the waste and how to eliminate it. The payback is faster. With bigger projects, you don't always see the gains."

Mike Benton, Plant Manager